

Adam Smith on Ethics and Religion

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1. Religious Shifts in the Scottish Enlightenment

The eighteenth-century Scottish Enlightenment was a cultural and intellectual movement rooted in Presbyterian soil. The clergy of the Church of Scotland were at the forefront of many of its key developments. These included leading figures such as William Robertson (1721–93), Thomas Reid (1710–96), Adam Ferguson (1723–1816), Hugh Blair (1718–1800) and George Campbell (1719–96). All flourished in the second half of the eighteenth century within the ancient universities of Scotland. Their work would not have been possible, however, without the significant shifts that had taken place in Scottish culture and theology earlier in the century.

After 1700, Scottish theologians began to turn away from the disputes that had marked the period of Reformed orthodoxy in the seventeenth century. The covenanting period had been succeeded by the Glorious Revolution (1689) and Act of Settlement (1701). The civil strife and violence of earlier years had given way to a time of relative Presbyterian stability. Greater economic prosperity now appeared to be a consequence of the Treaty of Union (1707). At the same time, newer philosophical trends were imported from the European continent and England. Increased latitude of thought, some of which is quite surprising in its context, became evident in the work of several professors. A culture of ‘moderatism’ gradually found favour, despite some fierce resistance from the courts of the church. In the minds of its exponents, this was integral to a peaceful and prosperous society no longer marked by religious intolerance, arcane dogmatic disputes, and factionalism. Within this milieu, different intellectual preoccupations became widely established. Earlier debates about the extent of the atoning

work of Christ, the depravity of the human condition, divine election, and the nature of assurance, were displaced by discussion of the innate moral sense endowed by the Creator, the nature of virtue, the civilising role of the Christian religion, and the sublimity of the teaching of Jesus. All of these signalled a confidence in the power of reason which contrasted with earlier emphases upon the clouded nature of human judgement and the need for divine revelation. Despite these shifts, however, the philosophy and religious thought of the period retained a strong Christian theistic cast.¹⁾

Francis Hutcheson (1694–1746), Professor of Moral Philosophy in Glasgow, was the leading figure of the early Scottish Enlightenment. Enjoying the patronage of the Earl of Islay, the most powerful Scottish politician of his day, Hutcheson set about transforming the culture of the university and the church. Lecturing in English rather than Latin, he reached a wide audience by his polished literary style. His Sunday evening discourses on the truth of the Christian religion attracted popular audiences. While his moral philosophy stressed a natural moral sense, this was traced back to the wisdom of the Creator who had endowed us in this way. Owing to his intellectual brilliance, gentle disposition, rhetorical skills and political acumen, he was largely successful.

Hutcheson also wished to maintain the necessity of religious belief for moral motivation. Without belief in the ordering of the world and the vindication of our best efforts, we are likely to be undermined and demoralised in our projects. (There is a foreshadowing of Kant here.) Belief in God, in providence, and in a future state are vital supports for the moral agent. These can reassure us in face of anxiety, sustain us when things go badly wrong, and secure our perseverance over the long haul. Hutcheson's religion here conforms to what Charles Taylor has aptly called 'providential deism'.²⁾

1) For further background, see Thomas Ahnert, *The Moral Culture of the Scottish Enlightenment 1690–1805* (New Haven: Yale University Press, 2015).

2) Charles Taylor, *A Secular Age* (Cambridge, MA: Harvard University Press, 2007), 221.

The so-called Moderate party dominated the Church of Scotland from the 1750s until the early nineteenth century. Committed to the principle of patronage, by which the landowning classes played a decisive role in the appointment of clergy, they represented political and social stability through the principles of Enlightenment philosophy and theology. The sermon was a key instrument in the promotion of this culture. Instead of long *ex tempore* discourses on the points of Reformed doctrine, preaching was characterised by a more polished style, a carefully crafted text, and apologetic arguments with a stress on moral principles. The theological emphasis of Moderate preaching rested upon the wisdom of the Creator, the teaching of Jesus, the providential ordering of nature and history, and the prospect of eschatological rewards and punishments.³⁾

The influence of classical culture permeated this movement. The teaching of rhetorical style was mediated through classical figures such as Aristotle. Of particular philosophical significance were the works of the Stoics, especially Marcus Aurelius, Cicero and Epictetus. The resonance of Stoicism with the ‘providential deism’ of the Enlightenment ensured that some of its key tenets would be transposed into eighteenth-century terms (Harris 2010). It points to the possibility of a measure of natural goodness that counteracts an excessively negative (Calvinist) estimate of our fallen nature.

It is somewhat ironical that the most distinguished figure of the Scottish Enlightenment was also its most avowedly sceptical. David Hume (1710–76) offered an account of ethics that was wholly independent of religious belief or practice. For Hume, our moral passions are rooted in our natural and social constitution and require no explanation beyond these. Religion, by contrast, can interfere with these by a surfeit of superstition and enthusiasm. These are the enemies of social stability and require to be tamed by appropriate political arrangements. Our intuitive sense of moral objectivity

3) Stewart J. Brown, ‘Moderate Theology and Preaching c1750–1800’ in David Fergusson and Mark Elliott (eds.), *The History of Scottish Theology*, Vol. 2 (Oxford: Oxford University Press, 2019), 69–83.

is to be explained by our propensity 'to stain and gild the world with the colours of the mind.'⁴⁾ The language of moral objectivity is a projection on to the world of virtues that are either natural to our constitution or contrivances to promote our social well-being. This is especially evident in his discussion of justice as an artificial virtue. Morality does not require religious explanation or underpinning. We can live well, often better, without the constraints of religious dogma.

2. Hutcheson and Smith

Hutcheson was Adam Smith's (1723–90) teacher and his predecessor in the Chair of Moral Philosophy in Glasgow. Some lines of comparison may enable us to appreciate the similarities and differences. Hutcheson's ethical theory sets the context for much of Smith's *Theory of Moral Sentiments* (TMS), first published in 1759, with its stress on our moral feelings. Drawing on the analogy of aesthetic judgements, Hutcheson argues that moral approbation reposes upon a sense of what is pleasing in human conduct. In particular, the feeling of benevolence plays a central role in the ethical life. It 'recommends the generous part by an immediate undefinable perception' without regard to our own interests.⁵⁾ The tendency in Hutcheson is to regard moral sense as a particular faculty with which human beings have been endowed. Though this may be deficient in some persons, just as general perceptual capacities can be impaired, it is a universal capacity. A pervasive assumption in Hutcheson is that this has been implanted by the Creator. Hence, despite the concerns of his conservative ecclesiastical critics who feared that Hutcheson attributed too much to our natural capacities, there is a close link in his thought between ethics and religion. Nature, including its human elements, has been providentially designed by God to further our well being. The design argument rehearsed by Hutcheson

4) David Hume in L.A. Selby-Bigge (ed.) *An Enquiry Concerning the Principles of Morals*, Appendix One, (Oxford: Clarendon, 1975), 294.

5) Francis Hutcheson, *A System of Moral Philosophy: In Three Books* (London: 1755), I.4.xii.

stresses not only the harmonies of the solar system and the fruitfulness of the earth, but also the intellectual, moral and spiritual constitution of human beings. And these reflections lead him to argue both for the metaphysical and moral attributes of God. His system might be described as a species of theological naturalism. Our moral capacities are rooted in our human nature with its inherent dispositions. But these provide powerful evidence of the wisdom and goodness of our Creator. This also leads Hutcheson to stress the importance of piety for the sake both of glorifying God and reinforcing our ethical commitments. We should reflect upon the attributes of God. These are worthy of contemplation and enhance the moral sense. And, through participating in public worship, we give outward expression to this and become bound with others in the pursuit of common moral and religious ends.

A constant regard to God in all our actions and enjoyments, will give a new beauty to every virtue, by making it an act of gratitude and love to him; and increase our pleasure in every enjoyment, as it will appear an evidence of his goodness: it will give a diviner purity and simplicity of heart, to conceive all our virtuous dispositions as implanted by God in our hearts, and all our beneficent offices as our proper work, and the natural duties of that station we hold in his universe, and the services we owe to this nobler country.⁶⁾

Hutcheson's theological commitments are everywhere apparent. Though he differs from his Reformed predecessors in attributing much more to nature, philosophical reason, and our innate goodness, he stands as a formative influence for a Moderate theology. In his philosophy, an ethical naturalism is allied to doctrines of creation, providence and eschatological rewards.

When we come to Adam Smith, we find obvious similarities but also some significant differences of emphasis. In the opening chapter of TMS, he follows Hutcheson's rejection of ethical egoism, criticising Mandeville for a

6) Hutcheson, *A System of Moral Philosophy*, I.10.iii.

restriction of human motives to self-interest. Our natural tendencies include a consideration of others without reference to any advantage accrued for ourselves. Our ethical judgements are rooted in our natural capacities. Smith makes much of the role of sympathy in which we are able to place ourselves in the position of other people and to judge accordingly what is proper, honourable, just and so forth. The ideal perspective to which we should attain is that of the impartial spectator whose judgements provide an exact standard for moral evaluation. But greater attention is given by Smith to the ways in which the different virtues arise in a range of social contexts and are embedded in the forms of human life. Much of TMS is devoted to moral psychology with the result that the need to invoke a distinct moral sense endowed by the Creator is largely circumvented.

In discussing Hutcheson, Smith acknowledges his debt.⁷⁾ A rationalist approach to ethics cannot provide a full account of moral approbation and motivation. We can discriminate and calculate particular rules of morality by use of reason, but distinguishing what is right and agreeable from what is wrong and disagreeable cannot at the outset be generated by reason. This is the domain of sentiment as Hutcheson clearly saw. Only ‘immediate sense and feeling’ (*ibid.*) can render virtue desirable for its own sake. Yet Smith also expresses some scepticism around Hutcheson’s invocation of a distinctive moral sense that accounts for our moral perception and motivation.⁸⁾ His account both proves too much and too little. In identifying a distinctive moral sense to do the heavy lifting in his theory, Hutcheson (and other sentimentalists) have named a term which has hitherto been obscure in moral philosophy. Why has this only recently been identified, Smith asks, if it is so pervasive and deeply rooted in our constitution?

7) Adam Smith, *The Theory of Moral Sentiments*, (eds.) D.D. Raphael and A. L. Macfie (Indianapolis: Liberty Fund, 1982), VII.iii.2.7–9.

8) Daniel Carey, ‘Francis Hutcheson’s Philosophy and the Scottish Enlightenment: Reception, Reputation and Legacy’ in Aaron Garrett and James A. Harris (eds.) *Scottish Philosophy in the Eighteenth Century*, Volume 1: *Morals, Politics, Art, Religion* (Oxford: Oxford University Press, 2015), 36–85.

Would not other cultures and civilizations have noticed this earlier? Here Smith echoes the anxiety that Hutchesonian ethics still has associations with an implausible innatism, whereby he invokes a special category in the absence of any other explanatory mechanism. At the same time, Smith reckons that Hutcheson's appeal to a moral sense cannot account for the diverse range of moral feelings that can variously be expressed in anger, elevation, admiration, gratitude etc. By describing the ways in which sympathy connects us with the perspective of other agents, we can broaden notions of self-interest, pleasure, and pain to accommodate wider social dynamics. In particular, the utility or beauty of a system that works well for us can be appreciated and promoted. In this way, Hutcheson's naturalism is deepened without recourse to a special moral sense endowed by the Creator.

The different directions in which these forms of ethical naturalism move might enable us to reflect further on why religion plays a much less prominent role in Smith's moral theory than in Hutcheson's.

3. Adam Smith on Religion

Given his reticence and some of the shifts in his writing, it is not surprising that a range of different views has been attributed to him. These include a Christian theology that is shared with other moderate thinkers, a theistic Stoicism that was increasingly accentuated in his philosophy, and a deep scepticism that was much more carefully concealed than that of his close friend Hume. Some recent writers including Phillipson⁹⁾, Kennedy¹⁰⁾ and Heydt¹¹⁾ have argued that Smith is much more closely aligned with Humean

9) Nicholas Phillipson, *Adam Smith: An Enlightened Life* (London: Allen Lane, 2010).

10) Gavin Kennedy, 'Adam Smith on Religion', in Christopher J. Berry, Maria Pia Paganelli, and Craig Smith (eds.), *The Oxford Handbook of Adam Smith* (Oxford: Oxford University Press, 2013), 464–486.

11) Colin Heydt, 'The Problem of Natural Religion in Smith's Moral Thought', *Journal of the History of Ideas*, 78.1 (2017), 73–94. For a rejoinder in defence of Smith's theological commitments, see Paul Oslington, 'The "New View" of Adam Smith in Context', *History of Economics Review*, 71.1 (2018), 118–131.

scepticism than with any obviously theistic position. Others have argued for a more vigorous if concealed theological underpinning.¹²⁾ My own view is that Smith retained elements of Moderate theology but that these were not of obvious personal or intellectual significance, and that at the very least there is some drift in his outlook from the tenets of Christian orthodoxy.¹³⁾ Yet, Smith's views were well concealed, so much of this debate is conjectural.

Smith's closest relationship throughout his life was with his mother who died in 1784 in her ninetieth year. A devout Presbyterian, she attended the Canongate Kirk; together with its manse, it is situated next door to the Smith home at Panmure House on Edinburgh's Royal Mile. Adam Smith probably accompanied her to church on many a Sunday. At the time of her death, he wrote to his publisher.

Tho' the death of a person in her ninetieth year of her age was no doubt an event most agreeable to the course of nature; and, therefore, to be foreseen and prepared for; yet I must say to you, what I have to other people, that the final separation from a person who certainly loved me more than any other person ever did or ever will love me; and whom I certainly loved and respected more than I shall ever love or respect any other person, I cannot help feeling, even at this hour, as a very heavy stroke upon me.¹⁴⁾

This moving passage tells us only of the mutual affection between a son and his mother. As far as indicating Smith's own theological beliefs it offers us

12) Jacob Viner, *The Role of Providence in the Social Order*, (Princeton: Princeton University Press, 1972); Lisa Hill, Lisa, 'The Hidden Theology of Adam Smith', *European Journal of the History of Economic Thought*, 8:1 (2001), 1–29; Paul Oslington, 'Divine Action, Providence and Adam Smith's Invisible Hand', in Paul Oslington (ed.), *Adam Smith as Theologian* (London: Routledge, 2011), 61–76.

13) For this more mediating position, see Gordon Graham, 'Adam Smith and Religion' in Ryan Patrick Hanley (ed.), *Adam Smith: His Life, Thought and Legacy* (Princeton: Princeton University Press, 2016), 305–320.

14) Phillipson, *Adam Smith: An Enlightened Life*, 262.

very little. We have to assume that Smith would have respected his mother's piety and done nothing to disturb it. But the reference to a 'final separation' does not betoken the absence of a belief in an afterlife. Christians can talk of a final parting at death, without implying the lack of hope beyond the grave. Smith's mother can be used neither to confirm nor deny his faith.

His relationship with the dying Hume is also of much interest, though again it raises as many questions as it answers. As Hume's closest friend at the close of his life, Smith became his literary executor. Despite being tasked with arranging the posthumous publication of the *Dialogues Concerning Natural Religion*, Smith was reluctant to be drawn into a public controversy. In the end, the manuscript was entrusted to Hume's nephew who quickly ensured its publication. The effect was not as divisive as Smith had feared. Perhaps as reparation for this refusal, Smith instead published a letter to his publisher describing the manner of Hume's death as befitting that of the most perfectly wise and virtuous man of his acquaintance. While no traces of faith or hope were evident, Hume remained amiable and cheerful to the end. Smith remarked to a friend. 'Poor David Hume is dying very fast, but with great cheerfulness and good humour, and with more real resignation to the necessary course of things, than any Whining Christian ever dyed with pretended resignation to the will of God'.¹⁵ These are strong words, but do they signify that Smith is in accord with Hume's agnosticism and merely avoided its advocacy on account of his aversion to public controversy? Again, the evidence is slender either way, though it is clear that he shared Hume's disdain for the manifestations of religious enthusiasm, intolerance and sectarian division.

More significant perhaps are the extensive adjustments to portions of the *Theory of Moral Sentiments* in the sixth and final edition of 1789. The best-known deletion is the passage on the atonement in which an extended reference to the standard Reformed understanding of the atoning work of Christ's death is replaced by reference to a universal religious conviction regarding future rewards and punishments. 'In every religion, and in every

15) Phillipson, Adam Smith: An Enlightened Life, 244.

superstition that the world has ever beheld, accordingly, there has been a Tartarus as well as an Elysium; a place provided for the punishment of the wicked, as well as one for the reward of the just'¹⁶⁾. Smith's emendation undoubtedly suggests a departure from a more orthodox theological position. But it remains consistent with much of the regnant moderate theology of the day which maintained a system of eschatological rewards and punishments while typically presenting Christ as a moral teacher and exemplar. Smith appears to distance himself from Christian theories of atonement, but not necessarily from all forms of 'providential deism'.

The critical remarks about religion in the *Wealth of Nations* (WN) are also taken to signify this more sceptical attitude to religion.¹⁷⁾ Like Hume, Smith is suspicious of religious groups that dominate society to the extent of repressing and persecuting opposition. Both Roman Catholics and Protestants are subject to this criticism at different historical moments. Smith's preferred option is for a balancing of smaller sects, none of which can then dominate civic life. These will tend to respect other groups and co-exist in the same social space – hence his preference for an American model of church-state relations by contrast with Hume's preference for a benign establishment. As Kennedy notes, competition is Smith's preferred solution for religious and as well as commercial monopolies.¹⁸⁾ And he appears to favour Presbyterianism over Episcopacy as a form of church government, owing to its distribution of power and authority.¹⁹⁾ Yet Smith also notes some tendency towards narrow-mindedness and an over-bearing moral rigour amongst the sects. This can be counteracted, he judges, by the study of science and philosophy and in 'the frequency and gaiety of

16) TMS II.ii.3.12.

17) Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, (eds.) R. H. Campbell, A. S. Skinner and W. B. Todd (Indianapolis: Liberty Fund, 1981), V.i.iii.

18) Kennedy, 'Adam Smith on Religion', 471–472.

19) Kennedy, 'Adam Smith on Religion', 473; Gordon Graham, 'Adam Smith and Religion', 316.

publick diversions'.²⁰⁾ Yet there is little here from which moderate theology would dissent.

I doubt that we can find a window into Smith's soul at any point in his literary output. Some diminution of his Christian convictions seems apparent, though perhaps this is the older man becoming less constrained by public opinion and the need for approbation. Or maybe Smith, like so many of us, was a man of fluctuating and uncertain theological opinions. The direction of travel may incline towards scepticism on key Christian tenets, even while much of the framework of his ethical philosophy strongly suggests something like a providential deism. Though Heydt argues persuasively for a strong naturalism of conscience in Smith and a 'psychological genealogy' of religious belief, there remain too many passages in Smith that seem to invoke religious belief and practice as important for ethics. Are we to believe that Smith is really dissembling here for the sake of conformity and a temperamental reluctance to engage in public controversy, especially as many of these passages survive his late-life revisions? Admittedly, the absence of 'piety' from his list of virtues is strikingly egregious in an eighteenth-century Scottish context, but again this may reflect a more minimalist natural religion animated by a growing scepticism about positive religion and its 'whining' practitioners. There are many people who have given up on the church and the conventions of religious practice without abandoning their belief in God. Smith may be numbered amongst them.

The references to providence in TMS III.V are generally positive, strong and in accordance with Stoic philosophy. There is an order of nature, governing the world and human affairs. Our duty is to assent to this and to accept its conditions. The dictates of duty are presented to us as the will of God. Belief in God reinforces our moral motivation and performance. The tenor of Smith's writing is shaped in part by his reading of Seneca, Zeno and Epictetus on the subject of divine providence. This represents a theory of general providence, rather than the special providence that is

20) WN, VI.iii.

also a constitutive feature of Reformed theology. Smith's invocation of a standard of 'exact propriety and perfection' to which our human norms can only approximate has some religious possibilities. The notion of an 'archetype of perfection' produced by a 'divine artist' enables us to make a distinction between what is generally approved in society with what ought to be approved, even if these can never be entirely separated.²¹⁾ One might argue that the providentialist categories that shape Smith's philosophy lean in a theistic direction – it seems possible to develop elements of TMS in this way. And yet Smith never makes the same moves that we find in Hutcheson. There is no explicit attempt to use ethics, economic order, or the domain of nature as evidence for the divine existence. Although he notes the efficacy of religious images for our moral performance, everything he says is consistent with theological non-cognitivism. To view belief in God as helpful for moral purposes does not constitute an argument for the veracity of such belief. Smith does not go there at any point in his philosophy. The possibility remains open for others to make the necessary argumentative moves, as many of his successors did. And yet, Smith says little that cannot be accommodated by an exhaustive naturalism.²²⁾

The evidence from his library, moreover, suggests that Smith had little interest in theological issues.²³⁾ There is no sign of any important work of European Protestant theology – Calvin, Bullinger, and the Puritans do not

21) TMS VI.iii.25.

22) In my view, Smith's occasional references to an 'invisible hand' incline towards a more naturalist reading. Although he would be fully aware of the theological associations of this metaphor, he uses it infrequently and never develops it along familiar theological lines. It is more easily read as a description of natural effects. While one might readily locate this within a theory of general providence, Smith offers little encouragement to do so. But for an excellent discussion of the provenance of the notion and a stronger reading than the one I offer, see Peter Harrison, 'Adam Smith and the History of the Invisible Hand', *Journal of the History of Ideas*, 72.1 (2011), 29–49. This reading is also preferred by Paul Oslington, 'God and the Market: Adam Smith's Invisible Hand', *Journal of Business Ethics*, 108.4 (2012), 429–438.

23) See Hiroshi Mizuta, *Adam Smith's Library: A Catalogue* (Oxford: Clarendon Press, 2000).

feature. Nor do we find much in the way of eighteenth-century apologetic works such as Joseph Butler's *Analogy* or George Campbell's *Dissertation on Miracles*. While of course Hutcheson and Hume feature prominently, the exponents of the Protestant faith of his native land are largely conspicuous by their absence. It is almost as if Smith's library had been purged of all such work. It is difficult to avoid the impression of a deep ambivalence around the Christian religion in Smith, perhaps confirmed by the sense amongst his some of his contemporaries that he was not quite sound. Philippson quotes an anonymous writer in 1791. 'In many respects, Adam Smith was a chaste disciple of Epicurus, as that philosopher is properly understood... O venerable, amiable, and worthy man, why was you not a Christian?'²⁴⁾

4. Further Problems of Smith Interpretation

How might these comments impact upon the wider issues in the interpretation of Smith? In conclusion, I raise three of these to assess how this ethical context might be relevant for his economics

i) 'Das Adam Smith-Problem' emerged in nineteenth-century Germany as a problem about the mismatch of his two key texts – *The Theory of Moral Sentiments* and *The Wealth of Nations*.²⁵⁾ In discussing the human agent in these works, commentators remarked upon the sympathetic moral agent of TMS against the acquisitive *homo economicus* of WN. The dutiful and benevolent person of the earlier work seemed to be displaced by the self-centred and wealth-seeking individual of the market place. This is best illustrated in the famous passage: 'It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest'.²⁶⁾ According to some commentators, this apparent shift in perspective was to be explained by a sudden turn in

24) Philippson, Adam Smith: An Enlightened Life, 281.

25) W. von Skarżyński, Adam Smith als Moralphilosoph und Schoepfer der Nationaloekonomie: Ein Beitrag zur Geschichte der Nationaloekonomie (Berlin: Verlag von Theobald Grieben, 1878); Keith Tribe, *The Economy of the Word: Language, History and Economics* (Oxford: Oxford University Press, 2015).

26) WN1.ii.2.

Smith's thought towards a French materialism in which he abandoned the religious and Stoic orientation of his earlier work. But this hypothesis of 'two Smiths' is now widely rejected. This problem can readily be resolved without resort to such a radical hypothesis. Although the focus of TMS is on moral agency and the character of sympathy, Smith nowhere denies that self-love is an important motive of conduct. Indeed, he spends time extolling the importance of prudence, industry and frugality, all of which are entirely consistent with WN. And, in writing a treatise on economics, it is not in the least surprising that the focus falls on the self-interest of the agent. But he nowhere denies that the same agent is sociable, capable of fellow-feeling or alert to the claims of justice. His account of sympathy is intended precisely to show the continuities between self-love and love of the other.²⁷ As Raphael notes in his introduction to TMS, Smith himself provides the strongest argument against the problem. He revised TMS shortly before his death and did so in a way that clearly signalled its consistency with the claims of WN. The providentially ordered society that Smith described was one in which self-love played its part alongside other motives for action. Love of self and love of neighbour were not mutually exclusive but correlative, even if obvious tensions could persist between these springs of conduct. But these are held together in Smith's account of the regulated life in which different virtues and practices are properly ordered.

ii) The question of Smith's allegiance to *laissez-faire* economics has long divided commentators. The 'problem' for German commentators arose from their scepticism about whether the pursuit of individual economic interests would result naturally in the promotion of the general good. But was this really the view of Smith himself? Certainly, in much nineteenth-century British economic thought, a confidence in market forces was upheld to the extent that interference with these could even be perceived to be against the will of God. Some passages in Smith obviously incline in this

27) Alexander Broadie, 'Sympathy and the Impersonal Spectator', in Knud Haakonssen (ed.) *Cambridge Companion to Adam Smith* (Cambridge: Cambridge University Press, 2006), 158–188.

direction, particularly those that refer to an 'invisible hand', though these are infrequent.

By preferring the support of domestic to that of foreign industry, he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention... By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it.²⁸⁾

Theological appropriations of this language are not difficult to find, particularly in the nineteenth century. An exponent of free trade, Thomas Chalmers insisted that the economic order was ordained by divine providence; if respected, it would prove benevolent in its outcomes.²⁹⁾ The internal order of the system constrains us to develop Christian virtues, thus demonstrating its providential worth. Other considerations were also advanced by evangelical economists, including the thought that a population surfeit amidst scarce resources would encourage emigration and so the spread of the gospel to distant places. State intervention through the Poor Laws was correspondingly criticised as destructive *inter alia* of personal initiative, philanthropic endeavour, and family-ties.

But whether this reflects Smith's own position is doubtful. Free trade was undoubtedly perceived as an activity that brought many benefits to individuals and society. Yet Smith did not regard unbridled free trade as a universal panacea. In this regard, he recognised the limitations of the market and the need for state regulation and selective intervention. This applies for example to the regulation of interest rates where the maximum

28) WN IV.2.9.

29) Boyd Hilton, 'Chalmers as Political Economist', in A. C. Cheyne (ed.), *The Practical and the Pious: Essays on Thomas Chalmers (1780–1847)*, Edinburgh: St Andrew Press, 1985), 141–156.ilHik

legal permitted should be set 'a little above' the market rate. According to Smith, capping the interest rate ensures a more generally advantageous use of capital while also constraining those actions of 'prodigals and projectors' which damage the system and bring it into disrepute.³⁰⁾ Furthermore, the aims of political economy are not only to ensure the subsistence of a people but also to enable the provision of public services by the state. For Smith, this included poor relief, the provision of free education and the improvement of transport infrastructure. The case for free trade, therefore, did not hinge upon a defence of a radical laissez-faire approach. A strong sense of the common good, the welfare of all, and the role of civic bodies and the state in promoting these informs his work, as one would expect given his moral philosophy. His economic theory is set within the wider context of an account of the human condition, society and the order of nature. An account of human flourishing informs his work – we should not set his writings on political economy apart from this.

iii) The question whether Smith was optimistic or pessimistic about the outcomes for political economy has also received contradictory answers.³¹⁾ Excessive appeal to the 'invisible hand' passages might suggest that social and economic progress is inevitable over the course of time. If there is an inherent order in the cosmos to which we are bound, then this might be expected to prevail in ways that are providential. The ends of nature – self-preservation, procreation, and happiness – best prevail in a free trading, commercial society. Here much of Smith's work resonated with the optimistic spirit of the following century. Yet against this there are many more cautionary and sombre elements in his work. Commercial society is neither inevitable nor permanent, and even where it flourishes it does so amidst conflict and tension. Class envy, excessive materialism, manipulation of government by powerful elites, and the urge to dominate other peoples

30) See Amartya Sen, 'The Contemporary Relevance of Adam Smith', in Christopher J. Berry, Maria Pia Paganelli, and Craig Smith (eds.), *The Oxford Handbook of Adam Smith* (Oxford: Oxford University Press, 2013), 582.

31) James Alvey, *Adam Smith: Optimist or Pessimist* (Aldershot: Ashgate, 2004).

– all these forces and problems threaten the *telos* of a commercial society. Given the textual evidence for both positions, this tension in Smith seems unresolved. It is inherent rather than apparent. He remains a ‘sober optimist’ or a ‘hopeful pessimist’ held captive by the different tendencies in his thought. But, in this respect at least, he may be regarded as belonging to the religious ethos of moderate Scotland and its Protestant realism about human nature. Confident of economic and social progress, it had moved beyond the religious violence, impoverishment and intolerance of the seventeenth century. Yet the Reformed theological tradition, with its sombre estimate of human capacities, continued to exercise a refracted influence amongst the Moderates. In this intellectual setting, Smith’s ambivalent approach to human nature, society and religion makes good sense.

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Abstract

The thought of Adam Smith (1723–90) can be positioned within the ‘Moderate’ culture that dominated Scottish intellectual life in the mid-eighteenth century. By viewing his *Theory of Moral Sentiments* against the background of Francis Hutcheson’s earlier moral philosophy, we can discern both continuity and change. Smith emerges as a more thoroughgoing naturalist in both his interests and convictions. Although he writes positively of religion in places, it is difficult to determine his own views. In surveying the evidence, this essay inclines towards a minimalist account of Smith’s religious commitments which probably belong at the more sceptical end of the deist spectrum. It concludes by seeking to expose several myths concerning Smith’s outlook – these can be dispelled by attention to the intellectual background and general consistency of his two major works.